

Exhibit 3

Part 5 of 9

**NOTE (15) CONTRA ACCOUNTS :**

These include commitments and contingent liabilities arising in the corporation's ordinary course of business and comprise:

	Saudi Riyals (in thousands)	Saudi Riyals (in thousands)
Letters of credit	702,284	
Letters of guarantee	108,918	
Travellers' cheques	684,941	
Liabilities against Foreign Exchange contracts	14,277,204	
Others	417,830	16,191,177
Mudaraba funds		
Customers' investments	433,177	
Current Accounts/Precious Metals	293,094	726,271
		<u>16,917,448</u>

NOTE (16) AFFILIATED COMPANIES :

Other assets include the cost of investments in the two affiliated companies amounting to SR 3,030,057.

NOTE (17) SHARIA AUTHORITY

The constituent general meeting of the corporation formed a sharia authority and defined the rules governing its work. These required the corporation present to the authority within a period of one year from 7/3/1409H any transactions it is involved in or intends to carry out. The authority reviewed a number of transactions and issued a number of sharia decisions. The decisions do not affect these financial statements as they were issued subsequent to 31 December 1988.

**AUDITORS' REPORT**

IN THE NAME OF ALLAH, MOST GRACIOUS, MOST MERCIFUL

Whinney Murray & Co	Al Rashed
Member of Ernst & Whinney International	Certified Public Accountants
P.O. Box 2732	P.O. Box 1522
Riyadh 11461	Riyadh 11441
Kingdom of Saudi Arabia	Kingdom of Saudi Arabia

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
AL RAJHI BANKING AND INVESTMENT CORPORATION**

We have examined the statement of financial position of Al Rajhi Banking and Investment Corporation as at 31 December 1988, the statements of income and retained earnings for the period then ended and the attached notes 1 to 17 which form part of these statements prepared by the Corporation in accordance with Article 123 of the Regulations for Companies and which have been provided to us with all the information and explanations that we have requested. Our examination was made in accordance with generally accepted auditing standards and included such tests of the accounting records and such other auditing procedures as we considered necessary to enable us to express an opinion on the financial statements.

In our opinion the financial statements referred to above, taken as a whole, present fairly the financial position of Al Rajhi Banking and Investment Corporation as at 31 December 1988 and the results of its operations for the period then ended on the basis of the accounting policies referred to in note 3 to the financial statements.

We refer to notes 2, 10, 11 and 17 to the financial statements which relate to the acquisition value of assets and liabilities, the temporary allocation of shares, the income arising from investment of founders' funds and the Sharia Authority respectively.

for Whinney Murray & Co

Al Rashed

Ata Hamad Al Bayouk
Chartered Accountant
Registration No. 7

Abdul Aziz Rashed Al Rashed
Certified Public Accountants
Registration No. 50

25 Dhu Al Qa'dah 1409H
(28 June 1989)



تقرير مراجعي الحسابات

القادة/مساهمي شركة الراجحي المصرفية للاستثمار
المحترمين

لقد راجعنا قائمة المركز المالي لشركة الراجحي المصرفية للاستثمار كما هي عليه في ١٩٨٨/١٢/٣١ م وقائمة الدخل وقائمة الأرباح المتأخرة للفترة المنتهية في ذلك التاريخ، والإيضاحات من (١) إلى (١٧) والتي تشكل جزءاً من هذه القوائم المعدة من قبل الشركة وفقاً لنص المادة ١٢٣ من نظام الشركات والمقدمة لنا مع كافة المعلومات والبيانات التي طلبناها. وكانت مراجعتنا وفقاً لمعايير المراجعة المتعارف عليها واشتملت على فحص السجلات المحاسبية والإجراءات الأخرى التي رأيناها ضرورية لإبداء الرأي على القوائم المالية.

وفي رأينا أن القوائم المالية المذكورة أعلاه ككل تظهر بشكل المركز المالي لشركة الراجحي المصرفية للاستثمار كما هو في ١٩٨٨/١٢/٣١ م ونتائج أعمالها للفترة المنتهية في ذلك التاريخ، وفقاً للبيانات المحاسبية المنشارة فيها في إيضاح (٣) مبني على الإيضاحات (١) إلى (١٧) حول قيمة الموجودات والمطلوبات التي تقرر من أرباحها والأسهم المحصنة موقفاً وغاليد استثمار أموال المؤسسين والهيئة الشرعية على التوالي.

والله الموفق.

الرائد

عبد العزيز رائد الرائد

محاسب قانوني

ترخيص رقم (٥٠)

عن وني مري وشركاهم

عطا حمد البصوك

محاسب قانوني

ترخيص رقم (٧)

التاريخ: ١٤-٩/١١/٢٥ هـ الموافق: ١٩٨٩/٦/٢٨ م